

NSC BRIEFING

29 July 1954

CHINA COAST INCIDENTS

- I. 0845 (local) on 23 July, two Chinese Communist prop fighters shot down British DC-4 airliner off coast Hainan.
  - A. Transport apparently attacked when 30 miles south of island. Ditched five miles off south-east coast.
  - B. Of 18 aboard, 8 picked up by US amphibian from Philippines. 3 US citizens, 7 others, lost.
- II. On 26 July, US carrier bombers, searching this general area, clashed with Chinese prop fighters.

NSA, ONI reviews completed

A. After photo run on two Polish freighters <sup>and an</sup> escorting Chinese gunboat, six miles off Hainan, US planes pursued by two prop fighters, fired on when 15 miles offshore.

B. Our planes downed one Chinese at that point: other was pursued, shot down in Hainan coastal waters.

III. 23 July attack (airliner) is first appearance Chinese Communist combat planes in Hainan area.

A. Planes apparently from newly-activated field at Suichi (Leichou peninsula). Possibly staged from poor fields on Hainan.

B. Suichi, one of China's largest fields, has 8-10 thousand foot runway (clay surface on 20 May). If paved, would be ideal for jet operations.

C. Only three fields on Hainan, all poor, but usable by fighters in emergency--Hoihow, Sanya and Folo.

D. Unknown number TU-2 bombers and LA-11 fighters, both prop types, moved Suichi (from East China) 20 July.

IV. Move planes Suichi, attack airliner, both seem related desire protect Bloc shipping en route China.

- A. Since late June, when Tuapse seized by Nationalists south of Formosa, no Bloc ship from Europe has tried reach North China ports.
- B. Shipping bound southern port (Whampoa) since 10 July totals at least eight vessels (including two Soviet tankers, two Polish freighters).
- C. This deflection Bloc shipping hurts Peiping--normally 30,000 tons European cargo a month ~~used in~~ North China, Manchuria. *by sea.*
- D. Example protection effort:  
Soviet tanker (probably Leningrad) given extensive MIG-15 air cover while entering Pearl River.

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E. Soviet tanker Batumi probably near Hainan 23 July; this may have prompted attack on airliner.

F. Immediately after US planes buzzed Polish freighters on 26 July, escorting gunboat apparently sent distress message, as Chinese fighters arrived in 25 minutes.

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V. Concern for Bloc shipping, following Tuapse incident, clear in Chinese Communist propaganda and in notes to UK, US.

A. Recent charge in intensified propaganda is that US supporting Nationalists in acts piracy.

B. Unprecedented apology to UK claiming airliner mistaken for Nationalist aircraft, cited Nationalist "piratical interception and robbery of merchant vessels."

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C. Protest to US on 26 July clash  
alleges both US "strafing"  
Polish ships and US support  
Nationalist interception,  
robbery "merchant ships of  
various nations sailing to  
China for trade."

VI. Chinese protest warns US cease "such  
acts of aggression" or "suffer  
consequences."

- A. Chinese Communists now providing  
both air, naval cover for Bloc  
vessels in South China waters.  
May force issue by attempting  
escort vessels through Formosa  
Strait to North China ports.
- B. Could also assault Nationalist-  
held offshore islands.

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- C. Strength in East China more than enough take Tachen or Matsu any time.
- D. Further possibility--air attacks on Formosa.

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N.S.C. Meeting 29 July 1954  
0830

Mr Dulles' Briefing Notes

Items used

China Coast Incidents

Items not used

Arrest in French North Africa

Indochina

Western Prospects Improve in

Iraq

Implications of the Suez Canal

Agreement

Rom

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